

TO: SENATE OF VIRGINIA

SENATE BILL NO. 1247

I approve the general purpose of this bill, but I am returning it without my signature with the request that the following amendments be made:

1. Line 7, enrolled, after 2.2-226.1

strike

and 2.2-227

insert

2.2-227, and 2.2-2403

2. Line 48, enrolled, after ~~Planning~~

strike

Chief Information Officer Advisory Board,

Rationale Amendments 1 and 2: These amendments are necessary to repeal the Chief Information Officer Advisory Board created in § 2.2-2403.

3. Line 150, enrolled, after branch

insert

listed in the appropriation act

Rationale Amendment 3: This amendment makes it clear that entities otherwise meeting the criteria to be considered a "state agency" are not state agencies unless they are listed in the appropriation act. For example, the Virginia Housing Development Authority is not listed in the appropriation act; therefore, it would not be considered a state agency.

4. Line 159, enrolled, after technology;

strike

direct and approve

insert

develop

Rationale Amendment 4: The legislation intends for the Information Technology Investment Board to approve the statewide information technology plan. This amendment achieves that intent by requiring the CIO to develop the plan rather than direct and approve it.

5. Line 160, enrolled, after four-year

strike

plan for information technology projects

insert

strategic plan for information technology to include specific projects that implement the plan

Rationale Amendment 5: The Information Technology Investment Board is required to approve individual major information technology projects; therefore, it is inconsistent with that requirement for the CIO to develop a plan for projects that spans 4 years without first obtaining Board approval. This amendment provides that through the 4- year plan and required annual updates thereto, the CIO, with input and approval from the Board, will establish the strategic direction for the Commonwealth in information technology and include the projects which implement that direction in the plan.

6. Line 183, enrolled, after Board.

insert

This review shall include, but not be limited to, all data processing or other related projects for amounts exceeding \$100,000 in which the agency or institution has entered into or plans to enter into a contract, agreement or other financing agreement or such other arrangement that requires that the Commonwealth either pay for the contract by foregoing revenue collections, or allows or assigns to another party the collection on behalf of or for the Commonwealth any fees, charges, or other assessments or revenues to pay for the project. For each project, the agency or institution shall provide the CIO (i) a summary of the terms, (ii) the anticipated duration, and (iii) the cost or charges to any user, whether a state agency or institution or other party not directly a party to the project arrangements. The description shall also include any terms or conditions that bind the Commonwealth or restrict the Commonwealth's operations and the methods of procurement employed to reach such terms.

Rationale Amendment 6: This amendment was recommended by the Division of Legislative Services to resolve a conflict between House Bill 1575 (Parrish) and House Bill 1926. The former amends an existing Code section (§ 2.2-226) addressing the powers and duties of the Secretary of Technology regarding review and approval of certain technology projects. The latter repeals § 2.2-226. The amendment preserves the intent of House Bill 1575 to have these certain projects reviewed, but transfers the review to the Chief Information Officer.

7. Line 188, enrolled, after CIO

strike

of the execution

Rationale Amendment 7: The stricken language is surplus text in the existing Code section from which the new language is derived.

8. Line 209, enrolled, after revenue

insert

or cost savings

9. Line 212, enrolled, after revenue

insert

or cost savings

Rationale Amendments 8 and 9: These amendments clarify that public-private partnerships between the Virginia Information Technologies Agency and a private business partner may result in payments to the private business partner from increased revenue or cost savings. An existing example of such a public-private partnership is the Virginia Information Providers Network (VIPNet). Many of VIPNet's online government services do not produce increased revenue but do result in cost savings to agencies. These amendments do not change the fundamental premise of such partnerships that the private business partner makes a substantial initial investment in the project and assumes a high level of risk at the beginning stages of development and implementation. The amendments expand the sources from which such an investment and risk may be recouped by the private business partner.

10. Line 263, enrolled, after of

strike

the Department

insert

VITA

Rationale Amendment 10. This amendment corrects an incorrect reference from the existing Code section from which the new language is derived.

11. Line 290, enrolled, after services

strike

, (the comma)

insert

and

Rationale Amendment 11. Amendment in the catchline.

12. Line 375, enrolled, after education

insert

or if he otherwise deems such action appropriate and consistent with the terms of any affected contracts

Rationale Amendment 12. This amendment was recommended by the Office of the Attorney General to make it clear that the CIO can suspend a project for reasons consistent with applicable contract terms.

13. Line 378, enrolled, after this

strike

subdivision

insert

section

Rationale Amendment 13. This amendment corrects an incorrect reference from the existing Code section from which the new language is derived.

14. Line 456, enrolled, after in

strike

the remainder of line 456

insert

major information technology projects

15. Line 465, enrolled, after for

strike

the remainder of line 465

insert

major information technology projects

16. Line 468, enrolled, after used

strike

the remainder of line 468 and all of lines 469 and 470

insert

to fund major information technology projects or to pay private partners as authorized in subsection B of § 2.2-2002.

Rationale Amendments 14, 15, and 16: These amendments clarify that the Virginia Information Technology Infrastructure Fund is intended to fund major information technology projects or to pay private business partners who, as described in the rationale for Amendments 8 and 9, make substantial initial investments in project and assume high levels of risk at the beginning stages of development and implementation. The language struck by Amendments 14, 15, and 16 is derived from existing Code sections related to the Fund and is not consistent with the intent of the legislation.

17. Line 471, enrolled, after consist

strike

the remainder of line 471 and all of lines 472 through 475

insert

of: (i) the transfer of general and nongeneral fund appropriations from state agencies which represent savings that accrue from reductions in the cost of information technology and communication services, (ii) the transfer of general and nongeneral fund appropriations from state agencies which represent savings from the implementation of information technology enterprise projects, (iii) funds identified pursuant to subsection B of § 2.2-2002, (iv) such general and nongeneral fund fees or surcharges as may be assessed to agencies for enterprise technology projects, (v) gifts, grants, or donations from public or private sources, and (vi) such other funds as may be appropriated by the General Assembly. Savings shall be as identified by the CIO through a methodology approved by the Board and the Secretary of Finance. The Auditor of Public Accounts shall certify the amount of any savings identified by the CIO. For public institutions of higher education, however, savings shall consist only of that portion of total savings that represent general funds. The State Comptroller is authorized to transfer cash

consistent with appropriation transfers. Appropriated funds from federal sources are exempted from transfer. Except for funds to pay private partners as authorized in subsection B of § 2.2-2002, monies in the Fund shall only be expended as provided by the Appropriations Act.

Rationale Amendment 17: The language struck by Amendment 17 is derived from existing Code sections related to the Virginia Technology Infrastructure Fund and is not consistent with the intent of the legislation once VITA is established and operational in the out years (i.e., beyond FY 2004). Amendment 17 is essential to provide a sound statutory framework on which to build VITA's future fiscal and operational stability.

18. Line 575, enrolled, after Communications

strike

Systems

19. Line 577, enrolled, after Communications

strike

Systems

Rationale Amendments 18 and 19: The language struck by Amendments 18 and 19 is derived from existing Code sections related to the Division of Public Safety Communications and is not consistent with the definitions and nomenclature used in other sections of the legislation.

20. Line 646, enrolled, after The

strike

Director of the Council on Information Management

insert

Chief Information Officer or his designee

Rationale Amendment 20: This amendment updates the membership of the Virginia Geographic Information Network Advisory Board.

21. Line 742, enrolled, after resource

strike

official

22. Line 745, enrolled, after technology

strike

resource officials

insert

resources

Rationale Amendments 21 and 22: The language struck by Amendments 21 and 22 is not consistent with the definitions and nomenclature used in other sections of the legislation.

23. Line 1026, enrolled, after Communications

strike

Systems

insert

created in § 2.2-2026

Rationale Amendment 23: The language struck by Amendment 23 is derived from existing Code sections related to the Division of Public Safety Communications and is not consistent with the definitions and nomenclature used in other sections of the legislation. The inserted new language is a cross reference to the section which creates the Division in the Virginia Information Technologies Agency.

24. Line 1087, enrolled, after F.

insert

The Division shall provide staff support to the Board.

Rationale Amendment 24: The amendment clarifies that the Division of Public Safety Communications provides staff support to the Wireless E-911 Services Board.

25. Line 1087, enrolled, after Network Division

insert

created in § 2.2-2021

Rationale Amendment 25: The amendment provides a cross reference to the enabling legislation for the Geographic Information Network Division in the Virginia Information Technologies Agency in the context of the Division's requirement to provide technical advice to the Wireless E-911 Services Board.

26. Line 1104, enrolled, after 2.2-226.1

strike

and 2.2-227

insert

, 2.2-227, and 2.2-2403

Rationale Amendment 26: Repeals the Chief Information Officer Advisory Board created in § 2.2-2403. Many of the Board's functions and responsibilities duplicate those of the Information Technology Investment Board.

27. Line 1162, enrolled, at the beginning of the line

strike

All

insert

Without limiting the foregoing, all

Rationale Amendment 27. This amendment was recommended by the Office of the Attorney General.